Action Item 7	
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PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COMMISSION DIRECTIVE

ADMINISTRATIVE MATTER		DATE	April 24, 2019
MOTOR CARRIER MATTER		DOCKET NO.	2019-2-Е
UTILITIES MATTER	✓	ORDER NO.	

SUBJECT:

<u>DOCKET NO. 2019-2-E</u> - <u>Annual Review of Base Rates for Fuel Costs for South Carolina</u>
<u>Electric & Gas Company</u> - Staff Presents for Commission Consideration South Carolina Electric & Gas Company's Annual Review of Base Rates for Fuel Costs.

COMMISSION ACTION:

Move that we generally adopt the joint proposed order filed by SCE&G and the Office of Regulatory Staff. After the hearing, I think it became clear that there was a source of disagreement between the litigants, particularly between SACE and SCCCL and the Company, involving three gas precedent agreements –with Elba Express, Mountain Valley, and Southeastern Trail. While fuel contracting practices are an important subject – and one which this Commission gives great attention – these three precedent agreements are not ripe for review.

The other significant difference between SACE and SCCCL and the Company involves the characterization and recommendation for treatment of the SEMI contract. The contract in question was approved by Commission Order No. 2007-273, and, at that time, the ORS reviewed the agreement and offered no objection to its approval. The contract has been and continues to be a highly utilized source, for which fixed reservation fees are appropriately recovered in this proceeding.

Further recommendation of SACE and SCCCL would ask the Commission to require procurement of services through RFP's. I think that we have, at least at this time, appropriately dealt with that matter in our Order No. 2018-804(A) in Docket No. 2017-370-E.

The result of this motion is that the residential ratepayer using the standard 1,000 kWh per month would experience a rate decrease of \$0.20 per month. When coupled with the reduced DSM/EE Rider, which takes effect at the same time, the ratepayer using 1,000 kWh per month will see a decrease of approximately \$0.57 per month.

PRESIDING	<u>Randall</u>			SESSION: Regular	TIME: 2:00 p.m.
	MOTION	YES	NO OTHER		
BELSER		✓			
ERVIN		✓			
HAMILTON		✓			

HOWARD		✓	
RANDALL		✓	
WHITFIELD		✓	
WILLIAMS	✓	✓	

(SEAL) RECORDED BY: <u>J. Schmieding</u>

